DEPARTMENT OF THE NAVY
eBUSINESS OPERATIONS OFFICE
5450 CARLISLE PIKE
PO BOX 2050
MECHANICSBURG PA 17055-0791

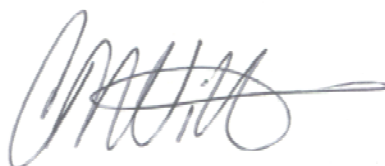**DON EBUSINESS OPERATIONS OFFICE INSTRUCTION 4600.1**

Subj: NAVY POLICIES AND PROCEDURES FOR THE OPERATION AND
         MANAGEMENT OF THE FLEET CARD PROGRAM

Ref: (a) DoD Directive 4140.25-M, Volume II, Chapter 16, DoD
          Management of Bulk Petroleum Products, Natural Gas, and
          Coal Acquisition and Technology

     (b) Financial Management Regulation 7000.14R

     (c) U.S. Bank Fleet Card Program Agency/Organization
          Program Coordinator Guide, version 1.0

     (d) Federal law prohibiting the misuse of Government
          vehicles, 31 U.S.C. 1344 and 31 U.S.C. 1349

     (e) Office of Government Ethics Standards of Ethical
          Conduct for Employees of the Executive Branch 5 C.F.R.
          Part 2635, Subpart G

     (f) Assistant Secretary of Defense memo 4 NOV 02,
          Suspension of Access to Classified Information Due to
          Abuse or Misuse of Government Charge Cards

     (g) Office of the Under Secretary of Defense memo 21 APR
          03, Government Charge Card Disciplinary Guide for
          Civilian Employees

     (h) Under Secretary of Defense memo 10 JUN 03, Disciplinary
          Guidelines for Misuse of Government Charge Cards by
          Military Personnel

     (i) Office of the Under Secretary of Defense memo 18 JUL
          03, Enhancements to Defense Civilian Personnel Data
          Systems (DCPDS) for Actions Related to Government
          Charge Cards

     (j) Federal Acquisition Regulations (FAR), Part 13

(k)   Department of Defense Inspector General memo, "Guidance for the Investigation of Fraud, Waste, and Abuse Involving Use of Purchase and Travel Cards", 25 SEP 02

(l)   Joint Ethics Regulations, DoD Directive 5500.7-R

(m)   Office of Government Ethics and Executive Agency Ethics Program Responsibilities 5CFR2638.705

1.   <u>Purpose</u>. This instruction provides Navy policies and procedures for the operation and management of the DoD Fleet Credit Card Program, hereinafter referred to as the Fleet Card. It is supplementary to reference (a). Detailed procedural information on daily operations (once available) can be found in the Fleet Card role-based desk guides scheduled for publication in FY04. All Navy users of the Fleet Card Instruction should be aware that this instruction and all its components (e.g., desk guide) have the force and effect of Navy regulations.

2.   <u>Cancellation</u>. N/A

3.   <u>Scope</u>. This instruction applies to all Navy activities and personnel using the Fleet Card.

4.   <u>Background</u>. The Fleet Card Program provides a commercially accepted, effective, and convenient method to pay for fuel and related maintenance services for DoD leased and owned vehicles.

5.   <u>Procedures</u>. This instruction sets forth Navy policy and procedures for the issuance, use, and management of the Fleet Card. This instruction may be supplemented by local Internal Operating Procedures (IOP) that do not conflict with the higher authority guidance or that which is provided herein.

6.   <u>Change Information</u>. N/A

7.   <u>Request for Changes, Waivers or Deviations</u>. Suggested changes, waivers or deviations to this instruction should be sent to the DON eBusiness Operations Office via the major claimant. Suggested changes must include a statement of the problem, the recommended solution and any necessary discussion. This information should be self-sustaining. Additional supporting information may be provided as enclosures.

SIGNED

C.M. VITT
Captain, SC, USN
Acting Deputy Commander

Check out the new DON eBusiness Operations Office website at <u>www.don-ebusiness.navsup.navy.mil</u>. Click on Fleet Card Program to access documentation relating to topics such as Audits, Bank Guidance, Metrics, Policies and Training.

Table of Contents

Send Us Your Comments

DON eBUSINESS OPERATIONS OFFICE INSTRUCTION 4600.1

The Department of Navy eBusiness Operations Office welcomes your comments and suggestions on the quality and usefulness of this document. Your input is an important part of the information used for future revisions. All acronyms and definitions used in the instruction are defined in enclosure (1).

- Did you find any errors?

- Is the information clearly presented?

- Do you need more information? If so, where?

- Are the examples correct? Do you need more examples?

- What features did you like most?

If you find any errors or have any other suggestions for improvement, please indicate the document title, chapter, section, and page number (if available). You can send comments to us in the following ways:

- Electronic mail: fleet_card@navsup.navy.mil

- Website: www.don-ebusiness.navsup.navy.mil

- FAX: 717.605.9362 Attn: Fleet Card Instruction

- Postal service:
  Department of the Navy
  eBusiness Operations Office
  Card Management Group, Fleet Card Instruction
  5450 Carlisle Pike, P.O. Box 2050
  Mechanicsburg, PA   17055-0791

If you would like a reply, please give your name, address, telephone number and electronic mail address.

EXECUTIVE SUMMARY

1. <u>Purpose of Program</u>.

    This program is intended to provide an effective, convenient, and commercially available method to purchase fuel and related maintenance at commercial service stations and/or repair facilities, and is for DoD-owned/leased vehicles only.

2. <u>Background</u>.

    In June 1998, the Defense Energy Support Center (DESC) awarded an order to a General Services Administration (GSA) SmartPay contractor to provide Fleet Credit Card services for DoD vehicles. DESC is the Executive Agent for petroleum and serves as the overall Program Management Office for the Fleet Card Program. Effective 01 OCT 03, the DON *e*Business Operations Office assumed management of the Fleet Card Program.

3. <u>Uses of the Fleet Card</u>.

    The Fleet Cards are used for purchasing fuel, oil, vehicle accessories, repair and authorized emergency roadside assistance services. Fleet Cards may be used not only for cars, trucks and forklifts, but also boats, tugs or barges as authorized by the activity. They may also be used to purchase fuel for vehicles that are leased under the General Services Administration (GSA) "Dry" Lease contract (GSA vehicles that do not come with a credit card). Vehicles leased by GSA that come with credit cards (e.g. wet leases) are not covered by this instruction. Premium and special unleaded fuel is strictly prohibited unless required by the vehicle manufacturer. The Fleet Card is not authorized to obtain aviation fuel. References (a) through (m) pertain to the use of the Fleet Card.

4. <u>Types of Cards</u>.

    Activities may choose to establish vehicle cards, organizational cards, or both.

    a. <u>Organizational Cards</u>. Organizational cards are kept centrally and issued to authorized drivers within the organization.

   b.   Vehicle Cards. Vehicle cards are assigned to a
        specific vehicle or a piece of equipment. They are
        assigned when more than one driver uses the vehicle.
        This enables individual dollar limits and/or
        transaction limits to be set for each card.

5.   Hierarchy Structure.

     The purpose of a hierarchy structure is to provide
     communication at all levels of the organization. The most
     efficient manner to do this is to establish a hierarchy for
     the Fleet Card Program. Enclosure (2) is a graphical
     depiction of the proposed hierarchy structure and enclosure
     (3) lists all of the DON major claimants involved in the
     program. For the purpose of this instruction, 'major
     claimant' refers to all echelon level 2 organizations
     responsible for policy, plans, process and funding of a
     functional or war fighting area.

     As information is received from the Program Management
     Office (HL2), the Component Program Manager (HL3) is
     responsible for ensuring that it is being communicated down
     to all Navy activities. This process will also be used in
     reverse for reporting requirements.

     The diagram represents the hierarchy structure for the Fleet
     Card Program. Chapter 2 will define the roles,
     responsibilities, and accountability of all program
     participants in levels 2-6.

     Hierarchy Level 1 (HL1): All Federal Government

     Hierarchy Level 2 (HL2): Defense Energy Support Center
                              (DESC)

     Hierarchy Level 3 (HL3): DON eBusiness Operations Office

     Hierarchy Level 4 (HL4): Major Claimants

     Hierarchy Level 5 (HL5): Subordinate Commands (e.g. Regions,
                              TYCOMs, NAFIs, and REDCOMs)

     Hierarchy Level 6 (HL6): Activities

6. <u>Key Personnel</u>.

    a. <u>DoD Program Management Office (PMO)</u>. Defense Energy Support Center (DESC) is the overall Fleet Card Program Manager. DESC provides comprehensive energy solutions, negotiates fuel contracts, receives rebates, and recoups taxes.

    b. <u>Issuing Bank</u>. U.S. Bank/Voyager is the current Fleet issuing bank under the GSA SmartPay contract. U.S. Bank provides customer service and access to its electronic access systems. The DoD Fleet Visa is also available from U.S. Bank/Voyager and is primarily used overseas.

    c. <u>Component Program Manager (CPM)</u>. The DON eBusiness Operations Office (EBUSOPSOFF) provides the oversight and management of the Fleet Card Program for the Navy.

    d. <u>Commanding Officer (CO)</u>. COs provide oversight and management of the Fleet Card Program within their commands.

    e. <u>Agency Program Coordinator (APC)</u>. The APC is the primary liaison for establishing, administering, maintaining, and reporting on the Fleet Card Program. There are different responsibilities associated with each APC at hierarchy levels 4, 5, and 6.

    f. <u>Accountable Official (AO)</u>. The AO is responsible for creating obligations and paying fuel card bills. The AO may be held liable for erroneous payments.

    g. <u>Certifying Official</u>. The Certifying Official is held liable for certifying and validating their agency's invoices.

    h. <u>Public Works Center (PWC)</u>. The PWCs are the vehicle providers for many Navy activities. They may issue Fleet Cards to activities using PWC services. PWCs are granted the authority to require receiving activities to appoint Transportation Coordinators to serve as a liaison for their activity.

i.   Transportation Coordinator (if required by PWCs). The Transportation Coordinator is the point of contact (POC) at the activity responsible for the receipt of the Fleet Card & assigned vehicle, training, and documentation of the Fleet Card log (with responsibilities the same as HL6 APC).

j.   Card User. The Card User is the individual that uses the Fleet Card for the purchase of authorized goods and services.

CHAPTER 1: GENERAL POLICIES AND PROCEDURES

1. Scope.

    This chapter provides general policy and procedures for Navy activities operating, managing, and performing oversight of the Fleet Card Program.

2. Policy.

    The Fleet Card is used for obtaining fuel and services for DoD owned/leased vehicles from commercial service stations. Intentional use of the Fleet Card for other than authorized use may be considered an attempt to commit fraud against the U.S. Government.

3. Authorized Card Use.

    a. Fuels. Gasoline, gasohol, regular unleaded, diesel/diesel marine fuel, propane, and liquefied petroleum gas (LPG) including compressed natural gas (CNG), ethanol and methanol, E85, and bio-diesels. Premium or special unleaded only if required by the vehicle manufacturer.

    b. Fluids. Lubricating services and lubricants - includes differential and transmission fluids; antifreeze (ethylene glycol).

    c. Filters/Batteries. Air and oil filters and servicing; batteries and battery charging.

    d. Tires/Cleaning. Washing/cleaning and mounting/dismounting snow tires and chains.

    e. Parts. Spark plugs, fan and generator belts, windshield wiper arms and blades, lamps, etc.

    f. Repairs. Collision repair and painting up to agency authorized limit; emergency roadside service including towing.

    g. GSA "Dry" Lease Contract. Purchase fuel for vehicles leased under the GSA "Dry" Lease contract (GSA vehicles that do not come with a credit card).

    h. Boats, Tugs or Barges. Obtain fuel for small boats, tugs or barges as authorized by the activity.

4. <u>Unauthorized Card Use</u>.

    a.   Fleet Cards may not be issued to or used by individuals other than Navy military or civilian personnel.

    b.   Premium and special unleaded fuel is strictly prohibited unless required by the vehicle manufacturer.

    c.   Products not listed in paragraph 3 (Authorized Card Use) are unauthorized.

    d.   Aviation fuel purchases are not authorized at commercial locations.

5. <u>Restrictions/Exemptions</u>.

    a.   While the Fleet Card can be used for purchases of parts and services, local activity restrictions may limit Fleet Card usage to fuel only or certain combinations of purchases. It is the responsibility of the card user to know which purchases are authorized on the card issued to them.

    b.   For situations where the U.S. Bank/Voyager Fleet Card is not accepted (e.g. OCONUS) and there is no other way to purchase fuel (husbanding contracts/gas coupons), a Visa Card may be available. For more information, contact Dave Williams at U.S. Bank via email: Dave.Williams@usbank.com or by telephone: 1-800-227-6736.

CHAPTER 2: ROLES, RESPONSIBILITIES AND ACCOUNTABILITY

1. <u>DoD Program Management Office (PMO) Responsibilities</u>.

    DESC provides DoD with comprehensive energy solutions, negotiates fuel discounts, awards, and administers the Fleet Card Task Order.

    a. Perform overall DoD program management responsibilities in compliance with reference (a).

    b. Develop and disseminate policy and training, to include split billing procedures.

    c. Coordinate Voyager FleetCommander enrollment and access to other electronic access systems.

    d. Perform delinquency management and fraud/audit analysis.

2. <u>Component Program Manager (CPM) Responsibilities</u>.

    As the CPM for the Navy, the DON eBusiness Operations Office provides Navy program management, execution, and ensures accountability is in compliance with references (a) and (b).

    a. Develop, publish and disseminate Fleet Card policy and training materials for Navy.

    b. Provide Navy-wide delinquency management and fraud/audit analysis.

    c. Act as the Navy liaison between DESC and affiliated DoD organizations/program participants.

    d. Notify DESC when CPM initiates an investigation involving alleged or suspected fraud, misuse or abuse of the Fleet Card.

    e. Establish metrics to manage the program to include but not limited to delinquencies, span of control, card cancellation, spending limits, and merchant category codes controls.

3.   Commanding Officer (CO) Responsibilities.

The CO is responsible for providing support/sponsorship and oversight to all participants in the Fleet Card Program.

a.   Ensure the local program is being executed in accordance with DoD and Navy guidance including periodic program management reviews.

b.   Establish effective internal management controls to ensure appropriate management, operation, and oversight of the local Fleet Card Program.

c.   Establish local policies and procedures for use of the Fleet Card to include informal/formal disciplinary action based on the severity and frequency of the infraction.

d.   Ensure key personnel and alternates are properly appointed, trained, certified and capable of performing their respective duties. See enclosure (4) for a sample Letter of Delegation & Acknowledgment.

e.   Ensure that the proper separation of functions is performed. This means that all persons performing in roles do not perform in multiple roles within the same agency (e.g. an AO can not be the same person as the APC).

f.   Ensure that appropriate administrative and disciplinary action is taken and documented when fraudulent, improper, and/or abusive Fleet Card transactions are found. Chapter 5 provides further guidelines.

g.   Ensure documented disciplinary actions are reported to the CPM on all fraudulent transactions within 30 days of the infraction.

h.   Notify the CPM immediately when any investigation is initiated involving alleged or suspected fraud, misuse or abuse of the Fleet Card by personnel under their command.

i.   Ensure that local agency clearance and/or check-out procedures include the surrender of any Fleet Cards by personnel to whom Fleet Cards were previously issued.

4.   Agency Program Coordinator (APC) Responsibilities.

The APC must maintain detailed knowledge and understanding of all policies and procedures regarding the Fleet Card Program and communicate this information to Fleet Card Users, managers and other responsible officials. The following responsibilities apply to all APC levels:

a.   Ensure execution of the local program in accordance with DoD and Navy policies and procedures.

b.   Understand policies and procedures regarding the use of the Fleet Card.

c.   Ensure key personnel are properly trained and all completion certification records are maintained centrally.

d.   Ensure that only authorized personnel with mission requirements are provided Fleet Cards.

e.   Maintain a list of all lower level APCs contact information (name, email address, telephone number, fax number).

f.   Maintain your personal contact information in issuing bank systems.

g.   Utilize the electronic systems and available reports to monitor the program. Refer to Chapter 4, paragraph 12e for more details.

h.   Establish appropriate authorization limits/restrictions for Fleet Card accounts and cards. These controls shall be stringent but allow the flexibility to meet mission requirements. Refer to Chapter 3 and Chapter 4 for more details.

i.   Notify the next higher level APC and the local chain of command immediately when any investigation is initiated involving alleged or suspected fraud, misuse or abuse of the Fleet Card by personnel under their command.

j.   Check the DON eBusiness Operations Office website on a routine basis to receive policy updates.

k. Additional responsibilities for each hierarchy level are as follows:

1) Hierarchy Level 4 (HL4) APC.

The HL4 APC is located at the Major Claimant level of the organization. Additional responsibilities for this level include:

a) Responsible for providing claimant information to the CPM.

b) Responsible for communicating program information to HL5 APCs and ensuring they are properly trained.

c) Ensure that appropriate action is taken when local reviews reveal non-compliance, misuse and/or abuse and follow-up with the CPM.

d) Notify the CPM and the local chain of command immediately when any investigation is initiated involving alleged or suspected fraud, misuse or abuse of the Fleet Card by personnel under their command.

2) Hierarchy Level 5 (HL5) APC.

The HL5 APC is located at the subordinate command levels of the organization (e.g. Regions, TYCOMs, NAFIs, and REDCOMs). Additional responsibilities for this level include:

a) Responsible for providing Fleet Card information to the HL4 APC.

b) Responsible for communicating program information to HL6 APCs and ensuring they are properly trained.

3) Hierarchy Level 6 (HL6) APC / Transportation Coordinator.

The HL6 APC is located at the activity level of the organization. This role is also referred to as the account point of contact. Additional responsibilities for this level include:

a) Responsible for providing Fleet Card information to the HL5 APC. Note: NAFI activities report to the HL4 APC.

b) Responsible for keeping the Transportation Officer, CO, and others within the activity

up-to-date. Ensure Fleet Card Users are properly trained.

c) Ensure that all purchases are appropriate and charges are accurate within 5 days of receipt.

d) Notify the Fleet issuing bank no later than 60 days prior to the expiration date of any cards issued which are not to be renewed and/or reissued.

e) Maintain Fleet Card log. See enclosure (5) for details.

f) Ensure Card Users are instructed on the appropriate use of the card. Require all Card Users complete and sign a Statement of Understanding (SOU) prior to initial card use. Maintain signed copies of all SOUs with the Fleet Card log and receipts of purchases. See enclosure (6) for the sample SOU.

g) Maintain a complete list of POC information for financial matters and notify the issuing bank of any changes that affect management, reporting, or billing.

h) Maintain a list of authorized drivers/ vehicles and other relevant information.

i) Notify the CO, APC, and supervisor in the event of any suspected unauthorized purchase (purchases that would indicate non-compliance, fraud, misuse or abuse).

5. <u>Accountable Official (AO) Responsibilities</u>.

The AO is responsible for creating obligations and paying fuel card bills. The AO may be held liable for erroneous payments.

a. Ensure that a system of internal procedures and controls for the portion of the entitlement and/or payment-related process under their cognizance is in place to minimize opportunities for erroneous payment, and to ensure that all procedural safeguards affecting proposed payments are observed.

b. Comply with all applicable DoD regulations, policies and procedures, including local standard operating procedures.

c. Support their respective Certifying Official with timely and accurate data, information, and/or service to ensure proper payments.

d. Request advice from their respective Certifying Official concerning questionable entitlements.

e. Ensure timely action is taken in response to inquiries with regard to possible or actual erroneous payments.

f. Monitor and validate MILSBILS fuel transactions and report any erroneous transactions to DESC.

g. Track outstanding balances including the status of disputed transactions and overdue payments.

h. Notify the Certifying Official in the event of any suspected unauthorized purchase (purchases that would indicate non-compliance, fraud, misuse or abuse).

i. Check the DON eBusiness Operations Office website on a routine basis to receive policy updates.

6. <u>Certifying Official Responsibilities</u>.

The Certifying Official serves as the primary focal point for receipt and validation of invoices.

a. Ensure the timely reconciliation and payment of all invoices. Certify all invoices within the Prompt Payment Act timeframes. Ensure that invoices are processed within 5 working days from the closing cycle date (20th of the month).

b. Oversee the proper processing of invoices. Upon receipt, validate both the fuel and non-fuel charges. A credit will show for fuel since DESC is responsible for paying Voyager for the aggregate fuel bill. The Certifying Official shall validate that charges are correct in Fuels Enterprise System (FES). Note: At this time U.S. Bank/VISA transactions do not fall under split billing.

c. Create obligations for fuel charges before the interfund bill is issued and process DESC interfund bill for fuel transactions.

d. Notify the Card User's chain of command in the event of any suspected unauthorized purchase (purchases that would indicate non-compliance, fraud, misuse or abuse).

e.   Check the DON eBusiness Operations Office website on a routine basis to receive policy updates.

7.   <u>Transportation Coordinator Responsibilities</u>.

If requested by PWCs, the Transportation Coordinator (HL6) serves as the activity POC who obtains the Fleet Card, vehicle, training, and other related materials from the APC at the Public Works Center (PWC), if applicable. Chapter 2, Section 4, details APC and HL6 responsibilities.

8.   <u>Card User Responsibilities</u>.

The Card User will be held liable to the government for any transaction not made for official government use. Card User's must:

a.   Understand the policies and procedures regarding authorized Fleet Card purchases and record keeping requirements.

b.   Complete Fleet Card log. See enclosure (5) for details.

c.   Sign a Statement of Understanding (SOU) and receive a copy of the U.S. Bank/ Voyager Brochure "Using Your Voyager Fuel Card", prior to initial card use from your APC. See enclosure (6) for the sample SOU.

d.   Use self-service gasoline pumps whenever available. Only regular grade (87 octane or lower) unleaded gasoline will be used, unless otherwise specified by the manufacturer.

e.   Check the DON eBusiness Operations Office website on a routine basis to receive policy updates.

CHAPTER 3: ESTABLISH MANAGEMENT CONTROLS

Commanding Officers and APCs shall establish management controls to operate, manage and provide oversight to local programs. Examples include but are not limited to:

1.   Internal Operating Procedures (IOP).

Review Internal Operating Procedures to ensure compliance with current DoD/Navy regulations and directives.

2.   Fraud, Misuse and Abuse.

Ensure that monthly reviews of potential fraud, misuse, and abuse are performed, and report all instances and resolutions to the CPM. When potential fraud is detected, immediately cancel the card and provide the CPM with all relevant documentation. The individual's access to other financial card programs (e.g. Government Travel Charge Card, Government Commercial Purchase Card) will also be reviewed for potential fraud, misuse, and abuse.

Use of a government vehicle for other than official purposes is a misuse of government property. Such misuse is a violation of the Uniform Code of Military Justice and Federal law, per reference (d) and may result in criminal, disciplinary, and adverse administrative action. The Office of Government Ethics Standards of Ethical Conduct for Employees of the Executive Branch regulation 5 C.F.R. Part 2635, Subpart G prohibits the misuse of Government position or resources per reference (e).

Any documentation provided to the Navy Criminal Investigative Service (NCIS) or to the Department of Defense Inspector General (DoDIG) for further investigation must also be provided to the CPM by the HL4 APC.

Screening shall be performed for all premium fuel purchases and merchant codes indicated as 'miscellaneous' and 'food products' or others that do not look legitimate.

The review shall target the following critical elements:

a.   Indicators for detecting fraud, misuse, and abuse:

1)   Documentation.

a)   Photocopies instead of original documents.

b)   Missing documentation (receipts, required approvals, etc.).

c)   Obvious changes or whiting-out of information.

d)   Information that is backdated.

e)   Similar or identical signatures on receipts from different vendors.

f)   Identical type or font on receipts from different vendors indicating replication of bogus receipts on the same printer, cash register or typewriter.

g)   Serially numbered receipts from the same vendor but dates of service/sales are months apart.

h)   Consistently identical volumes of fuel appear but the distances driven differ on the dates of use.

i)   Volume of fuel purchased exceeds tank capacity of vehicle for which fuel was purchased.

j)   Receipts indicate cash refund and amount charged exceed value of fuel/authorized goods procured.

k)   Receipts for fuel and services from vendors away from local duty area but no temporary duty orders requiring out of area purchase.

l)   Charges on holidays, weekends or for hours when assigned user/unit is not on duty.

m)   "Write-ups," that is the addition of a zero to the volume or dollar value of a receipt, or a digit to the left of a dollar value or volume.

n)   Receipt of multiple receipts for the same purchase of fuel. The person reviewing receipts notices that the Government is being billed more than once for the same identical purchase. The reviewer detects that two or more receipts are bills for the same volume, date and time of purchase or for multiple fill-ups within too short of a time period or too short of a distance traveled for the vehicle in question to have consumed the fuel.

    2)   Patterns of lost/stolen cards, returns, and credits.

    3)   Patterns of disputes on a single card or by the same individual.

    4)   Call or inquiry from Government investigator, DoD auditor or official from vendor questioning authenticity of purchases.

3.   Delinquency.

An account is considered delinquent whenever the invoice is not paid in full within 30 days of the statement billing date. Establish internal controls to prevent delinquencies, as well as policies and procedures to follow should delinquencies occur.

The following delinquency timeline represents the issuing bank process for delinquent accounts that are sent to billing address on the account:

a.   45 days delinquent: a letter is mailed and a phone call is made advising that the account is past due and to pay the balance to avoid having the account suspended.

b.   60 days delinquent: two letters are mailed during this time frame and a phone call is made advising that the account is past due and that the payment must be sent to continue service.

c.   90 days delinquent: a letter is mailed and two phone calls are made stating that the account will be suspended if payment s not submitted within 10 business days.

d.   121 days delinquent: the account is automatically suspended and a letter is mailed stating that the account has been suspended. No additional purchases authorized on account.

4.   Semi-Annual Reviews.

a.   Infrequently Used Cards. Establish internal management controls to review infrequently used accounts every 6 months. Accounts with no activity should be contacted and closed if not mission-critical.

b.   Card Inventory. Ensure that all cards are properly inventoried.

c. <u>Span of Control</u>. Ensure that the ratio of APC and Certifying Officials to Fleet Card accounts and number of cards does not jeopardize internal management controls. Consideration should be given to the number of transactions per card per month and the number of vehicles tied to an account.

d. <u>Spend/Transaction Limits</u>. Ensure that no cards are set up for 'unlimited' monthly spend limits.

CHAPTER 4: DEVELOP INTERNAL OPERATING PROCEDURES (IOP)

Develop written Internal Operating Procedures (IOP) to manage and operate the local Fleet Card Program. At a minimum the IOP shall establish local controls and/or processes to:

1.   Identify Key Program Personnel.

   The Commanding Officer of each activity requiring the use of the Fleet Card must establish a written criteria and process for designating personnel, per enclosure (4) who will perform as APCs, AOs, Certifying Officials, and Card Users. In the event that an activity participates with a Public Works Center to provide transportation needs, it must establish written criteria and a process for designating a Transportation Coordinator.

2.   Card Set-up, Safeguarding and Maintenance.

   Establish written procedures for opening, safeguarding and maintaining Fleet Cards. Applications are available on www.don-ebusiness.navsup.navy.mil under Fleet Card Program>Bank Guidance>Forms. Completed forms may be e-mailed or faxed to U.S. Bank. Ensure all requested information is accurate and complete. Ensure unique PIN numbers are assigned to all accounts.

3.   Authorization Controls and Restricted Purchases.

   Refer to the U.S. Bank/Voyager guide, reference (c) for detailed procedures for authorization controls and restricted purchases.

4.   Check-out Procedures for Departing Personnel.

   Ensure that local agency clearance and/or check-out procedures include the surrender of any Fleet Cards by personnel to whom Fleet Cards were previously issued.

5.   Disputes.

   Questionable transactions should be reported to Voyager Client Services. Refer to the U.S. Bank/ Voyager guide for procedures to follow should a discrepancy occur. Erroneous fuel transactions received from MILSBILS should be reported directly to DESC.

6.   Lost or Stolen Cards.

   The Card User must report a lost/stolen card to the APC immediately. The APC will then notify the issuing bank.

7. <u>Spend/Transaction Limits</u>.

All Fleet Cards are established with default spend/ transaction limits set by the issuing bank. The monthly dollar amount is $1,000. The default number of daily transactions is no more than 3 in a 24-hour period. Each swipe of the card counts as a transaction. APCs may temporarily raise the default limit up to $3000 to meet mission requirements.   It must be lowered when the mission requirement has been met. To increase the monthly dollar limit over $3000 the request must be made to the CPM in writing.

8. <u>Card Expiration, Suspension and Reinstatement</u>.

Only DESC, DON EBUSOPSOFF, or the designated APC may request that the issuing bank suspend accounts. Accounts may be suspended by contacting Voyager Client Services, per enclosure (9). Suspended accounts may be reactivated using the same procedure.

9. <u>Account Closures and Destruction</u>.

The APC shall ensure, to the maximum extent practicable, that the issuing bank is notified at least 30 days (one billing cycle) prior to the projected date of any transfer, retirement or termination. The APC shall notify issuing bank no later than 60 days prior to the expiration date of any cards issued which are not to be renewed and/or reissued. When vehicles are permanently taken out of service, notify the issuing bank to cancel the vehicle card.

10. <u>Training of Key Personnel</u>.

All APCs, AOs, Certifying Officials, and Card Users must receive initial, annual refresher training, and ethics training. See Chapter 6: Training Requirements for details.

11. <u>Record Maintenance/Retention</u>.

APCs, AOs, and Certifying Officials must maintain personal POC contact information in the issuing bank database (e.g. name, address, phone numbers, email address, hierarchy level, etc.) Additionally, the APC shall ensure that records on authorized drivers and vehicles are established and maintained daily. Record retention is at a minimum of three years.

a. <u>Card User Statement of Understanding (SOU)</u>. APCs shall maintain copies of signed SOUs and file with the logbook.

b. <u>Documentation</u>. Written documentation, including special approvals, shall be maintained as an audit trail. A Fleet Card log must be established and maintained. At a minimum this log will contain the information shown in enclosure (5).

c. <u>Card Inventory</u>. All Fleet Cards are to be kept under lock and key when not in use. Cards are to be properly inventoried semi-annually (at a minimum).

d. <u>Property Log</u>. Items purchased that meet the requirements of accountable property must be tracked.

e. <u>Use of Electronic Data Systems</u>. It is the responsibility of the APCs, AOs, Certifying Officials and/or those who load obligations into the financial accounting system to obtain access to applicable electronic systems provided by the issuing bank.

   1) <u>Voyager FleetCommander</u>.

      Issuing bank systems tool that provides the user with transaction data, reports, and ad hoc query tools and enables screening for fraud, misuse and abuse, delinquency, infrequently used cards, and span of control.

   2) <u>FAS (Fuels Automated System)</u>.

      Provides visibility of bulk fuel assets and transactions to Services, Commanders, vendors, and DESC. The FES (FAS Enterprise Server), also referred to as the "Purple Hub", is a web-based environment that collects, routes, and reports transactions among bases, contractors, DESC, DFAS, and other entities. This database should be used when posting obligations. You can access the DESC home page at https://www.desc.dla.mil.

      The following link with provide detailed information on how to obtain access to the FAS Enterprise Server - FES (Purple HUB) Access Requirements (http://www.desc.dla.mil/DCM/Files/DESC-CM-G-24_19Dec03.doc).

CHAPTER 5: DISCIPLINARY GUIDELINES

Managers and supervisors should use their discretion in handling Fleet Card misuse in a manner appropriate to each individual case. The circumstances of each case will determine the appropriate type of action, if any, that should be imposed. The supporting Human Resources Office and appropriate legal office should assist the supervisor on the selection of the charge and appropriate penalty based on the Navy's past practice, regulatory guidance, applicable case law and good judgment. Disciplinary actions include informal actions, such as written or verbal counseling detailing the concern and directing corrective action and greater oversight; account suspension or cancellation; official letters of reprimand; demotion; removal; or potential criminal prosecution. Additional memoranda on disciplinary guidelines is provided in references (f) through (h) and can be accessed on the DON eBusiness Operations Office website (www.don-ebusiness.navsup.navy.mil).

   a.   Civilian Personnel.

Civilian personnel penalty guidelines shall address offenses with respect to Fleet Cards and shall indicate that the penalty of removal from government service is an available maximum option for a first offense in appropriate cases, as determined by the deciding official. Per the Assistant Secretary of Defense memo dated 4 NOV 02, the chart below is a **sample** schedule of potential charge card offenses and remedies or penalties for such offenses. Components must otherwise comply with all applicable law and regulatory guidance in determining whether to impose disciplinary or adverse action in any specific case.

OFFENSES	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Misuse of Government sponsored Travel Charge Card (e.g. use for unauthorized personal expenses, failure to pay charge card bill in a timely manner)	Letter of Counseling to removal	5-day suspension to removal	10-day suspension to removal
Unauthorized use of or failure to appropriately control use of Government Purchase Charge Card as a cardholder, Accountable Official responsible for use or oversight of the Card.	Letter of Counseling to removal	14-day suspension to removal	30-day suspension to removal

Sample *Schedule of Potential Charge Card Offenses and Remedies*

In taking corrective or disciplinary action against civilian personnel, supervisors shall use references (l) and (m) as authoritative guidance. Fleet Card offense(s) may be framed in any lawful manner. The servicing Human Resources Office should assist the supervisor in taking disciplinary/adverse action on the selection of the charge and appropriate penalty based on the Navy's past practice, regulatory guidance, applicable case law and good judgment of the supervisor taking the disciplinary or adverse action. Coordination with the appropriate legal office should occur early in the process, as required by Navy policy.

b.   Military Personnel.

Military personnel who misuse, abuse or commit fraud with the Fleet Card shall be subject to actions available under the Uniform Code of Military Justice (UCMJ), including counseling, admonishment, reprimand, nonjudicial punishment, court-martial and administrative separation. In appropriate cases, pecuniary liability, referral for criminal prosecution in civilian courts, and civil enforcement action are other ways to hold military personnel personally accountable for charge card misuse.

In taking corrective or disciplinary action against military personnel who misuse or abuse the Fleet Card, commanders or supervisors shall use the procedures established for each section by the appropriate Military Department and consult with their legal advisors as necessary. In addition to corrective or disciplinary action, military personnel who misuse the Fleet Card may have their access to classified information modified or revoked if warranted in the interest of national security. Commanders and supervisors shall follow previously issued guidance to ensure that security clearance reviews are conducted when the Card User of a Fleet Card comes under investigation for card misuse.

c.   Commanders and Commanding Officers.

Commanders and Commanding Officers shall include the Fleet Card Program in their management control program checklists, and ensure that suspected misuse and abuse of the Fleet Card is appropriately investigated.

d. Agency Program Coordinators (APC).

APCs shall monitor available electronic systems and reports to identify potential fraud, misuse or abuse and shall notify the employee's supervisors immediately in those instances of potential fraud, misuse or abuse. All levels of APCs shall notify their next higher-level APC in cases of potential fraud, misuse or abuse.

e. Certifying Officials.

The Certifying Officials are the program's first line of defense against potential fraud, misuse or abuse. They are responsible for ensuring that all purchases made by Card Users within their purview are appropriate, bona-fide and that the charges are accurate. Upon discovery of any improprieties, Certifying Officials must notify the APC and chain of command.

f. Accountable Officials (AO).

The AOs are responsible for overseeing proper processing of invoices, creating obligations prior to the bill issuance, and ensuring that transaction information is recorded into the accounting and bill paying systems. AOs may be held liable for erroneous payments resulting from negligent performance of their duties. Upon discovery of any improprieties, the AOs must notify the Certifying Official and chain of command.

g. Relationship to Security Clearances.

The review of the security clearance of the individual involved (or the modification or revocation of such security clearances in light of this review), in misuse, abuse or fraud cases, is not a disciplinary action and should not be treated as such. However, this does not preclude a separate and independent review of such misuse, abuse or fraud by the appropriate security managers in accordance with references (f) and (k). Modification or revocation of a security clearance will result in appropriate action, which could include reassignment or removal.

CHAPTER 6: TRAINING REQUIREMENTS

The Fleet Card Program will be supported with role-based training for the AOs, Certifying Officials, APCs, and Card Users. See enclosure (7) for a list of Training Sources.

a.   Prior to designation as a program participant via a letter of delegation, all prospective APCs, AOs and Certifying Officials shall successfully complete mandatory training in Navy policies and procedures, as well as local internal operating procedures. The initial training requirements mandate that potential program participants take the appropriate role-based DON eBusiness training once established and available. **Note:** Role-based training materials will be available September 2004. All Fleet Card Program participants will be expected to complete their training within 90 days of notification that the training material is available. Contact the Navy CPM if you have any questions.

b.   Refresher training on current Navy policies and procedures and local internal operating procedures is required at least every two years. All APCs, AOs and Certifying Officials shall take the appropriate role-based DON eBusiness Training.

c.   It is mandatory that APCs, AOs, and Certifying Officials receive training from the issuing bank in order to use their electronic access systems.

d.   The annual ethics training requirement for all Government employees is found in references (l) and (m). All ethics questions, including those pertaining to training, should be directed to the Department of Navy Office of General Counsel.

e.   Prospective and active program participants are required to possess training certificates of completion for all mandatory Fleet Card Program training.

ENCLOSURES

1.   <u>Acronyms and Definitions</u>.

   <u>Abuse</u>: Intentional use of the Fleet Card for items not authorized by references (a) through (m), DON or local Fleet Card instructions. Neither Commanding Officers nor supervisors shall tolerate abuse of the Fleet Card. Card Users who abuse the Fleet Card shall be subject to appropriate administrative or disciplinary actions.

   <u>Accountable Official (AO)</u>: The AO ensures proper internal procedures/controls/safeguards are in place and observed to prevent erroneous payments

   <u>Agency Program Coordinator (APC)</u>: This is an individual designated by the ordering agency/organization to perform task order contract administration within the limits of delegated authority and to manage the card program for the agency/organization. These individuals shall have overall responsibility for the card program(s) within their agency/organization, and may determine who participates in the card program(s). Multiple levels of program coordinators exist within different hierarchies or at different hierarchical levels within the program for each agency/organization.

   <u>Alternate APC</u>: These individuals provide support to the primary APC and are accountable for the same responsibilities.

   <u>Billing Invoice</u>: The monthly billing invoice is forwarded for review, certification and payment purposes (if applicable). It is provided to the Certifying Official by the issuing bank. The billing invoice identifies all of the Fleet Card transactions of the Certifying Officials Card Users during a billing cycle. The invoice can be paper based or presented through the Electronic Access System of the issuing bank.

   <u>Card User</u>. The Card User is the individual that has been temporarily been given a Fleet Card to use to purchase authorized goods and services while operating a government owned/leased vehicle.

   <u>Certifying Official</u>: DoD military members and civilian personnel, who are designated in writing and are not otherwise accountable under applicable law, who provided source information, data or service (such as a receiving official, a Card User, and an automated information system administrator) to a certifying or disbursing officer in

ENCLOSURE (1)

support of the payment process. They have pecuniary liability for erroneous payments resulting from their negligent actions. Also referred to as the Accountable Official.

CONUS: Continental United States

CPM: Component Program Manager

Delinquency: An account is considered delinquent whenever the invoice is not paid in full 30 days from the statement billing date.

DESC: Defense Energy Support Center

Disputes: Instances where transactions on the statement do not agree with entries in the log or retained receipts that are presented to the issuing bank for resolution. This may include circumstances where the Card User did not make the transaction, the amount of the transaction is incorrect or the quality or service is an issue.

DFAS: Defense Finance and Accounting Service

DoD: Department of Defense

Fleet Card: The Fleet Card is the charge card account established with the issuing bank that enables properly authorized government personnel to buy and pay for fuel and maintenance of DoD owned/leased vehicles in support of official Government business.

DoD Program Management Office (PMO): DESC

DON: Department of the Navy

EBUSOPSOFF: eBusiness Operations Office

FES: Fuels Automated System (FAS) Enterprise System

Financial Management Office: The installation or activity office charged with funds management, funds control, and possibly funds certification. This office may be referred to as the Comptroller's Office, the Resource Management Office, the Financial Management (FM) office and/or the Designated Budget Office (DBO).

Fleet Card Log: A manual or automated log in which the Card User documents individual transactions and screening for mandatory sources using the Fleet Card. Entries in the Fleet Card log may be supported by internal agency documentation. The Fleet Card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. At a minimum, the log will contain the date the item or service

was purchased, the merchant name, the dollar amount of the transaction, and a description of the item or service.

FMR: Financial Management Regulation

Fraud: Theft or embezzlement from the Government, bribery, receipt or giving of gratuities, conflict of interest, violation of anti-trust laws, as well as false statements and/or false claims in the following areas: pay and allowances, procurement, property disposal, subsistence, unauthorized services, non-appropriated funds, foreign military sales and personnel matters.

Hierarchy Level: The CPM has established a hierarchy level structure for program management purposes. The hierarchy structure has capabilities to expand to seven levels.

HL1: All Federal Government

HL2: Defense Energy Support Center (DESC)

HL3: DON eBusiness Operations Office

HL4: Major Claimants

HL5: Subordinate Commands (e.g. Regions, TYCOMs, NAFIs, and REDCOMs)

HL6: Activities

Interfund Bill: A bill processed under the interfund billing system. These bills are not only "bills" but notices to the billed office that its funds have been disbursed and the bill 'paid."

IOP: Internal Operating Procedure

Issuing Activity: Activity who issues the Fleet Card to an individual.

Major Claimant: An echelon level 2 organization responsible for policy, plans, process and funding of a functional or war fighting area.

MILSBILS: Military Standard Billing System

Misuse: Inappropriate and/or unintentional use of the Fleet Card for items not authorized by references (a) through (m), DON or local Fleet Card instructions.

NAFI: Non-Appropriated Fund Instrumentalities

NOLSC: Navy Operations Logistics Support Center

Obligation: Makes funds available prior to invoicing against an activity's accounting line.

OCONUS: Outside Continental United States

Official Invoice: The monthly billing statement is the official invoice for payment purposes. The billing statement identifies all of the Fleet Card transactions for each card account during a billing cycle.

Pecuniary Liability: Personal financial liability for fiscal irregularities of disbursing and certifying officers and Certifying Officials as an incentive to guard against errors and theft by others, and also to protect the government against errors and dishonesty by the officers themselves.

Potential Fraud: Potential fraud includes the appearance of the following: theft or embezzlement from the Government, bribery, receipt or giving of gratuities, conflict of interest, violation of anti-trust laws, as well as false statements and/or false claims in the following areas: pay and allowances, procurement, property disposal, subsistence, unauthorized services, non-appropriated funds, foreign military sales and personnel matters.

Property Log: A term used to identify property recorded in a formal property management or accounting system.

Public Works Center (PWC). The PWCs are the vehicle providers for many Navy activities. They issue Fleet Cards, and responsibility there of, to activities using PWC services. PWCs are granted the authority to require receiving activities to appoint Transportation Coordinators to serve as a liaison for their activity.

Reconciliation: The process by which the Certifying Official of the Card User reviews the monthly statements, reconciles against available vendor receipts and Fleet Card logs and authorizes payment of those charges provided on the monthly billing/Card User statements.

REDCOM: Readiness Command

Spend/Transaction Limit: An authorization control assigned to each Certifying Official, as determined by the ordering Navy activity, which limits the cumulative spending amount of all card accounts assigned to that Certifying Official during a given billing cycle.

Split Billing: For the purpose of this instruction, split billing is a way of centrally billing the "fuel" portion of the U.S. Bank/Voyager invoice. For the fuel portion, DFAS Columbus is the paying office and DESC is the Certifying Official.

Standard Pricing: A budgetary tool used to forecast fuel costs for an entire fiscal year.

Tax Exemption: The elimination of state and local taxes from federal purchases in accordance with state and federal law.

Transportation Coordinator: The Transportation Coordinator is the point of contact (POC) at the activity responsible for the receipt of the Fleet Card & assigned vehicle, training, and documentation of the Fleet Card log. This role has the same responsibilities as the APC. If there is no Transportation Coordinator, then the responsibilities of the Transportation Coordinator are performed at the HL6 level.

TYCOM: Type Commanders

Voyager FleetCommander: Issuing bank systems tool that provides the user with transaction data, reports, and ad hoc query tools and enables screening for fraud, misuse and abuse, delinquency, infrequently used cards, and span of control.

2.   <u>Proposed Hierarchy Structure</u>.

Federal

Fleet Card
Program Management Office → **PMO** ← Department of Energy Support Center
(DESC)

Navy
Component Program Manager → **CPM
Hierarchy Level 3** ← Department of the Navy
*e*Business Operations Office
Card Management Group

**Major Commands
Hierarchy Level 4**

**Subordinate Commands
(Regions, TYCOMs, NAFIs, REDCOMS)
Hierarchy Level 5**

**Activities
Hierarchy Level 6**
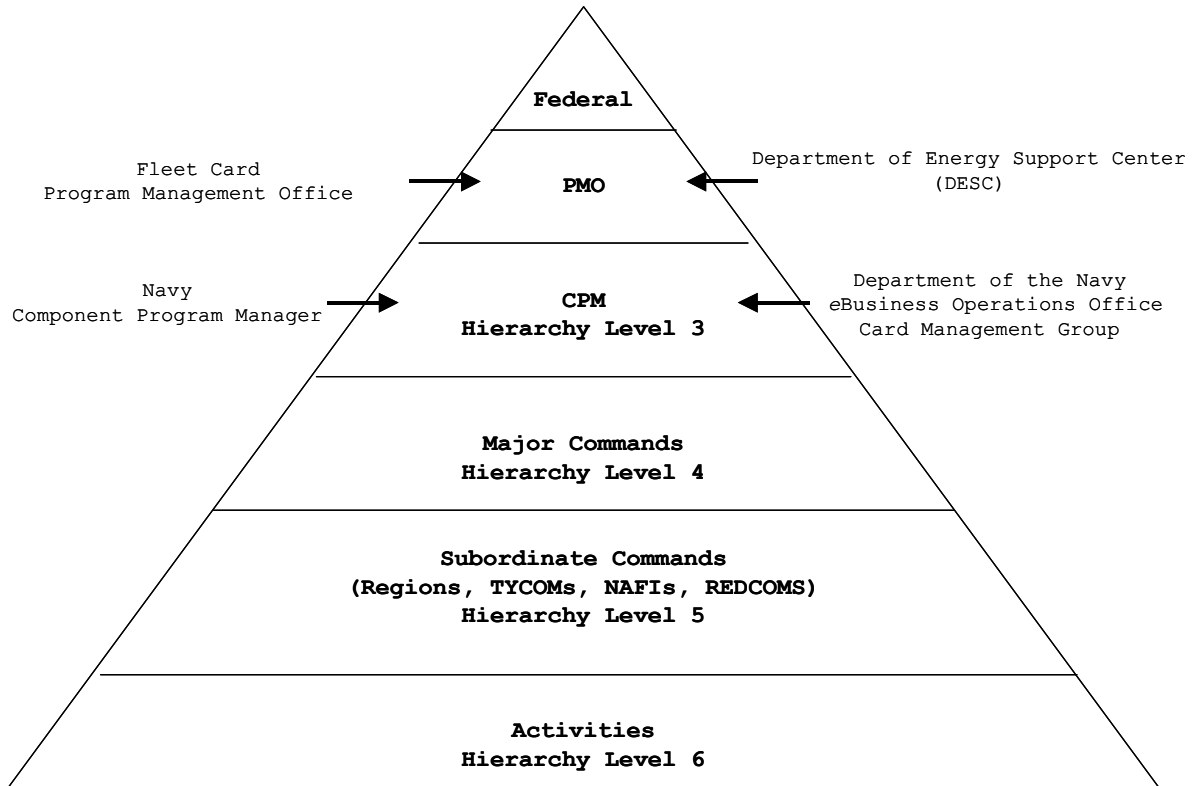
** NAFI organizations are to follow local command policies
until a separate instruction or guidance is released from
the DON eBusiness Operations Office.*

ENCLOSURE (2)

3. <u>DON Major Claimants.</u>

MAJOR CLAIMANTS

Chief, Bureau of Medicine and Surgery **(BUMED)**

Chief, Bureau of Naval Personnel **(BUPERS)**

Commander, Military Sealift Command **(COMSC)**

Commander, Naval Air Systems Command **(COMNAVAIRSYSCOM)**

Commander, Naval Facilities Engineering Command **(COMNAVFACENGCOM)**

Commander, Naval Installations **(CNI)**

Commander, Naval Reserve Force **(COMRESFOR)**

Commander, Naval Sea Systems Command **(COMNAVSEASYSCOM)**

Commander, Naval Security Group Command **(COMNAVSECGRU)**

Commander, Naval Special Warfare Command **(COMSPECWARCOM)**

Commander, Naval Supply Systems Command **(COMNAVSUPSYSCOM)**

Commander, Space and Naval Warfare Systems Command **(COMNAVSPAWARCOM)**

Commander, U. S. Atlantic Fleet **(COMLANTFLT)**

Commander, U.S. Naval Forces, Europe **(COMUSNAVEUR)**

Commander, U.S. Pacific Fleet **(COMPACFLT)**

Director, Strategic Systems Project Office **(DIRSSP)**

Field Support Activity **(FSA)**

Naval Education and Training Command **(NETC)**

Head Quarters United States Marine Corps **(HQ USMC)**

Navy Systems Management Activity **(NSMA)**

Office of Naval Intelligence **(ONI)**

Office of Naval Research **(ONR)**

Office of Under Secretary of the Navy **(AAUSN)**

4.   <u>Letter of Delegation & Acknowledgment (sample)</u>.

MEMORANDUM FOR: Insert name of individual being appointed

Subj: APPOINTMENT AS ACCOUNTABLE OFFICIAL

You presently occupy a position wherein your duties include the functions of an approving (accountable) official. This memorandum is formal notification that you are herby appointed as an Accountable Official to (Note: insert name, location and address of the supported Certifying Official to whom certification will be made).

As a Fleet Card Program Accountable Official, you will be accountable and liable for any erroneous payments that result from inaccurate information and data, including designation of the proper appropriations or other funds provided to a certifying officer, if the erroneous payment is the result of negligence relative to the performance of assigned Accountable Official duties. Pecuniary liability includes responsibility for erroneous payments that result from information, data, or service that was negligently provided to the certifying official.

In addition, you must become thoroughly familiar with your responsibilities and accountability. Volume 5, Chapter 33, of the DoD Financial Management Regulation provides a description of your responsibilities and pecuniary liability as an Accountable Official. You should read and become thoroughly familiar with these responsibilities and liability. After completion, you must acknowledge this appointment and that you have read and understand your responsibilities and liability by signature on the space provided on the acknowledgement provided on the next page.

_____
(Delegator's Signature)

ENCLOSURE (4)

ACKNOWLEDGMENT

In accordance with this memorandum, I hereby execute the following statement"

"By signature hereon, I acknowledge my appointment as an Accountable Official. I have read and understand my responsibilities and pecuniary liability as described in Volume 5, Chapter 33, of the DoD Financial management Regulation. I understand that I have the right to request relief of liability for any certification I supported that is determined to be an illegal, improper, or incorrect payment. I further understand that this appointment will remain in effect until I am transferred, separated for any reason, or retire from service."

_____
(Accountable Official's Signature)

5. Fleet Card Log (sample).

GASOLINE FUEL CARD LOG   **ON OR OFF BASE USE**

CARD SER #3: _____   VEHICLE CARD #: _____   DEPARTMENT: _____

POC: _____   PHONE #: _____   PERIOD COVERED: _____ TO _____

DATE	NAME	VEHICLE USN	ODOMETER READING	GAS RECEIPT#	PURCHASE (GALLONS)	$ AMOUNT

THIS CREDIT CARD CAN BE USED TO OBTAIN FUEL OFF BASE OR AT THE NAVY EXCHANGE GAS STATION. Fuel with low grade (87 octane) only. Before leaving gas station, ensure original receipt contains gallons purchased, correct dollar amount, vehicle number and odometer reading.
DIRECT INQUIRES TO: [enter POC name & number]

SUBMIT WITH ORIGINAL RECEIPTS ON THE 'X' [ENTER DAY OF WEEK] OF THE MONTH.
[DEPARTMENT NAME]
ATTN: [POC NAME]
CODE XXX, BLDG XXX

ENCLOSURE (5)

6. <u>Card User Statement of Understanding (sample)</u>.

Fleet Card Program
Card User Statement of Understanding (SOU)

I certify that I have read the attached U.S. Bank/Voyager brochure "Using Your Voyager Fuel Card". I understand that I am authorized to use the Voyager card only for those necessary and reasonable expenses incurred by me for official government business for approved government vehicles and/or equipment.

I understand that the issuance of this charge card to me is an extension of the employee-employer relationship and that I am being specifically directed to:

- Abide by all rules and regulations with respect to the charge card. ...._____

- Use the charge card only for official government business........._____

- Notify the APC of any problems with respect to my usage of the charge card. ...._____

- Notify the APC immediately if my charge card is lost or stolen. .._____

(Card applicants must initial all the above provisions.)

I also understand that failure on my part to abide by these rules or to otherwise misuse the card may result in disciplinary action being taken against me and the loss of my security clearance. I also acknowledge the right of the Fleet issuing bank and/or APC to revoke or suspend my Fleet Card privileges if I fail to abide by the terms of this agreement or the agreement I have signed with the Fleet issuing bank.

_____   _____
(Applicant's Signature)   (APC/Transportation Coordinator's Signature)

_____   _____
(Applicant's Printed Name)   (APC/Transportation Coordinator's Printed Name)

_____   _____
(Applicant's Series/Grade/Title)   (APC/Transportation Coordinator's Series/Grade/Title)

NOTE: APCs will not issue a Fleet Card unless the Card User signs this Statement of Understanding and receives training as mandated by the DON eBusiness Operations Office.

ENCLOSURE (6)

7.   Training Sources.

    a.   Issuing Bank Provided.

        1)   A U.S. Bank Voyager Fleet Systems FleetCommander Manual is offered by the issuing bank and provides a detailed description of Fleet Commander functionality. More information can be found on the issuing bank's website www.usbank.com.

        2)   The U.S. Bank Fleet Card Program APC Guide (which is available on the DESC website at www.desc.dla.mil) provides detailed processes and procedures used in the management of the Fleet Card Program. It lists responsibilities for key roles of the Fleet Card Program; such as APC, Designated Billing Official, Certifying Official, Card User and contractor responsibilities. It also provides detailed information regarding setting up accounts, maintaining accounts, invoicing, reconciliation, and transaction disputes.

    b.   GSA Provided.

        1)   GSA Smart Pay Conference. GSA sponsored training is provided annually. The training includes such topics as policies, delinquency management, reports, Voyager Fleet Commander and best practices. There is no registration fee although attendees pay their travel costs. This conference is for APCs and billing officials. The training schedule can be found online at www.gsa.gov.

        2)   GSA Federal Fleet Event. Sponsored by the Federal Fleet Policy Council, GSA's Office of Government-wide Policy and GSA Fleet, this annual training is three full days of training featuring many workshop training sessions, general sessions, as well as Navy Breakout Sessions. Additional information and/or registration procedures can be found at www.fedfleet.org.

    c.   DoD Provided.

        1)   DoD provides a web-based tutorial for annual ethics training. This tutorial is also available for download at Ethics Training or type in your browser www.defenselink.mil. This link is available on our website in the training section.

ENCLOSURE (7)

d. <u>DON EBUSOPSOFF Provided</u>.

1) DON Fleet Card APC Conference. Provided by the DON eBusiness Operations Office annually. For details concerning the conference and other DON training, please visit our website at www.DON-ebusiness.navsup.navy.mil.

2) The DON EBUSOPSOFF will provide role-based training for the Fleet Card APCs, AOs and Certifying Officials. This training is mandatory and will provide the student with a certificate of completion which must be retained as proof of training. **Note:** DON EBUSOPSOFF role-based training materials will be available September 2004. All Fleet Card Program participants will be expected to complete their training within 90 days of notification that the training material is available. Contact the Navy CPM if you have any questions.

3) The DON EBUSOPSOFF will provide supplementary role-based desk guides for the Fleet Card APCs, AOs and Certifying Officials.

e. <u>DESC Provided</u>.

1) DESC routinely provides a Fuels Accounting course available for all customers. To enroll for training, send an email to Tom Turets at the Naval Operational Logistics Support Center (NOLSC) Tom_Turets@navpetoff.navy.mil. The FAS Program Training Schedule is on the DESC website www.desc.dla.mil.

8.   Website Links.

DON eBusiness Operations Office Home Page
http://www.don-ebusiness.navsup.navy.mil/

Audit Links

Defense Contract Audit Agency Home Page
http://www.dcaa.mil/

Department of Defense Inspector General Home Page
http://www.dodig.osd.mil/

Naval Audit Service Home Page
http://www.hq.navy.mil/NavalAudit/

Issuing Bank Links

U.S. Bank Home Page
http://www.usbank.com/inst_and_govt/products_and_services/pa
yment_solutions/fleet_card_ps.HTML

U.S. Bank Voyager Fleet Systems Home Page
http://www.usbank.com/cgi_w/cfm/commercial_business/products
_and_services/voyager_fleet_systems/overview.cfm

Metric Links

GSA Government Charge Card Performance Summary
http://www.gsa.gov/Portal/gsa/ep/programView.do?pageTypeId=8
199&ooid=11490&programPage=%2Fep%2Fprogram%2FgsaDocument.jsp
&programId=10137&channelId=-13503

Policy Links

Defense Energy Support Center (DESC) Home Page
http://www.desc.dla.mil/

DOD 4140.25-M Fuel Management Regulation
http://www.desc.dla.mil/DCM/Files/V2C16_1.pdf

FAR/DFARS Home Page
http://www.acq.osd.mil/dpap/dars/index.htm

General Accounting Office Home Page

http://www.gao.gov/

General Services Administration Home Page
http://www.gsa.gov/

Management, Acquisition, and Use of Motor Vehicles
http://www.dtic.mil/whs/directives/corres/pdf/450036r_0394/p
450036r.pdf

Federal law prohibiting the misuse of Government vehicles
http://www4.law.cornell.edu/uscode/31/1344.html
http://www4.law.cornell.edu/uscode/31/1349.html

Financial Management Regulation 7000.14R
http://www.dod.mil/comptroller/fmr/13/index.html

5 C.F.R. Part 2635 - Standards of Ethical Conduct for
Employees of the Executive Branch
http://www.usoge.gov/pages/laws_regs_fedreg_stats/oge_regs/5
cfr2635.html

5 C.F.R. Part 2638 - Office of Government Ethics and
Executive Agency Ethics Program Responsibilities
http://www.usoge.gov/pages/laws_regs_fedreg_stats/oge_regs/5
cfr2638.html

Training Links

DOD Ethics Training Materials Home Page
http://www.defenselink.mil/dodgc/defense_ethics/ethics_train
ing/

Federal Fleet Home Page
http://www.fedfleet.org/

9.   Points of Contact.

Name/Description	Phone	Fax
U.S. Bank/Voyager		
24-hour Assistance	888-785-1735	800-987-6592
Enrollment Form Submissions Email: Belinda.Puzon@USBank.com		800-987-6592
Merchant Authorization 24-hour Assistance	800-987-6589	
DoD Fleet Visa (OCONUS) Assistance Email: Dave.Williams@usbank.com	800-227-6736	
Roadside Assistance	888-659-4524	
Electronic Access Help Desk Account Management System & FleetCommander	800-733-2236	
Voyager Client Services Account Maintenance/Balance, PIN Reset, Transaction/Billing Questions	800-987-6591	
DON eBusiness Operations Office (EBUSOPSOFF)		
Email: Fleet_Card@navsup.navy.mil	717-605-9371	717-605-9362
Defense Energy Supply Center (DESC)		
FES Transactional Questions	210-925-2438	
Report Fraud or Abuse	703-767-9552	
Navy Operational Logistics Support Center (NOLSC-DC)		
FAS Training Enrollment	703-767-7346	

ENCLOSURE (9)